

SECTION V: VENDOR COMPLIANCE

Overview

The Department has systems to detect Vendors who commit violations or defraud the program. These systems also enable the Department to identify those vendors who, knowingly or unknowingly, violate federal regulations, program policies and procedures, and/or the terms of the *WIC Vendor Agreement*. In order to ensure program integrity, it is necessary to impose sanctions consistently against Vendors who are in violation.

The Vendor shall comply with the nondiscrimination provisions of Departmental regulations (7 CFR parts 15, 15a, and 15b). No person shall be subject to discrimination on the basis of race, color, national origin, sex, age, or disability. The Vendor shall comply with the nondiscrimination provisions of Governor's Executive Order #87-6 and all other State laws. No person shall be subject to discrimination on the basis of religion or political affiliation.

Since this Agreement is federally funded, the Vendor shall abide by the provisions of Appendix B 45 CFR Part 76, Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transaction which is incorporated herein as if fully set out.

5.1 Vendor Monitoring

Policy

By signing the *WIC Vendor Agreement*, the Vendor agrees that the Department or its designee may monitor the Vendor for compliance.

During the course of a monitoring review the Vendor shall provide access to all redeemed WIC checks that have not been submitted for payment, receipts for WIC checks submitted for payment, purchase orders and/or invoices for WIC approved foods, shelf price records, and all retail and storage areas.

All vendors will be monitored at least once during the Agreement period. Vendors may be monitored numerous times during the Agreement period at the sole discretion of the Department. Vendors to be monitored are determined by a number of criteria including, but not limited to, the following: date vendor was last monitored, new vendors within the program, compliance with previous monitorings, participant and/or LWP complaints, legislative requests, other vendor complaints, failure to comply with corrective action plans, failure to maintain pricing within peer groups and other criteria as related to identifying high-risk vendors found within the federal regulations. Vendors that are determined to be high-risk will receive compliance investigations, which include covert compliance buys.

In addition to the routine monitor procedures outlined below, the Department shall perform covert investigations, receipt audits, inventory audits and pre-closure receipt audits of Vendors to detect possible cases of fraud or abuse of the program.

Signs

Vendors must post a WIC authorization sign at each customer entry door. All WIC approved food items need to be identified with a “WIC Authorized” tag on the shelf and must have the price displayed for each WIC food item.

Routine Monitoring Procedure

Routine Vendor monitoring may consist of, but not be limited to, the following:

1. Verify the store name, vendor number, address and manager of the Vendor.
2. Conduct a price survey to verify the WIC prices.
3. Review the WIC items to ensure that they are clearly marked as WIC approved and that the store has the minimum stocking requirements for WIC approved foods.
4. An inspection of the sanitary conditions of the meat, produce, frozen foods, dairy and egg cases and general cleanliness of the store. For questionable items, make notations as to whether a referral needs to be made to the local public health agency.
5. Ensure that the packaging of all WIC approved food is in good condition and protects the integrity of the contents, so that the food is not exposed to adulteration or potential contaminants. Assure that WIC approved food is within the date imprinted on the product packaging by the product’s manufacturer or packager.
6. Conduct an educational purchase of WIC foods to observe transaction procedures. (This procedure may be omitted if an actual WIC transaction is observed and documented by the monitor staff.) The monitor may select WIC approved and non-approved items and observe the cashier's reaction and response when they are placed before him/her. The monitor will observe and document the order in which the transaction steps occur. The monitor will evaluate the transaction process and advise the cashier and person in charge of both positive and negative aspects of the transaction. All parties will void the transaction and return the foods to the store shelves. The monitor will retain the sales receipt and the WIC check used.
7. Review the past seven to ten days of WIC receipts, checking to see if non-WIC foods have been sold or that more foods have been sold than allowed. (Example; three boxes of Corn Squares show on the receipt.

The box size is 14.8 so three boxes would exceed the 36 ounce maximum amount that is allowed.)

8. Check all redeemed WIC checks currently in the possession of the Vendor. Note any improperly transacted WIC checks and list their check numbers with an explanation of the problem. Errors detected will result in the Department making a claim against the Vendor.
9. Once all the steps have been performed an exit interview will be done. The monitor will discuss all findings with the manager or designee. This discussion shall serve as an exit interview. The monitor will obtain the printed name and signature of the manager or designee before leaving the store.
10. The Department will review the monitoring report and send a letter to the Vendor detailing the Agreement violations or no violations, and the corrective action needed to correct them. The Vendor will be required to fulfill the corrective action plan identified in the letter.
11. Follow-up will occur to ensure corrective action has taken place. Further follow-up will occur as indicated and necessary.

Covert Buy Investigations

The Department may perform covert compliance buy investigations on any vendor at any time during the Agreement period. Investigators will perform covert buys to determine whether the Vendor is in compliance the WIC program's rules and regulations as outlined in with the *WIC Vendor Agreement* and in this vendor manual.

At the completion of the covert buy investigation the Department has the right to establish a claim and demand refunds for payments already made on improperly transacted or redeemed WIC checks and for charges of more than the Vendor's actual selling price. The Department may also issue sanctions that may include having the *WIC Vendor Agreement* terminated or being disqualified from the WIC program.

Inventory Audit

The Department may perform an inventory audit on any Vendor at any time during the Agreement period. Inventory audits are generally for a thirty (30) to sixty (60) day period of time. A monitor will perform the initial phase of an inventory audit, which entails a detailed count of targeted food items during a routine monitoring. At the end of the determined time period the monitor will return to perform a second inventory count. All WIC sales receipts and invoices for stock that has been ordered and received during the audit time period will be requested. All WIC sales receipts and WIC checks for the sales that have occurred on that day will be reviewed to determine how much inventory has been sold.

All WIC sales receipts and invoices for stock will be returned to the WIC central office and compared to all of the redeemed WIC checks for the audit time period. At the completion of the inventory audit the Department has the

right to establish a claim and demand refunds for payments already made on improperly transacted or redeemed WIC checks and for charges of more than the Vendor's actual selling price.

Failure to provide these documents may result in a claim for repayment of WIC funds paid to the Vendor as outlined in the *WIC Vendor Agreement* and in this vendor manual. The Department may also issue sanctions that may include having its *WIC Vendor Agreement* terminated or being disqualified from the WIC program.

Receipt Audit

The Department may perform a receipt audit on any Vendor at any time during the Agreement period. Receipt audits may be for any length of time up to a three (3) year period. However, receipt audits are normally performed for a thirty (30) to ninety (90) day period. The Vendor is required to provide to WICNS copies of all WIC sales receipts and invoices for the specific time period requested. These documents are to be supplied within fifteen (15) days of the date of the written request.

At the completion of the receipt audit the Department has the right to establish a claim and demand refunds for payments already made on improperly transacted or redeemed WIC checks and for charges of more than the Vendor's actual selling price. Failure to provide these documents may result in a claim for repayment of WIC funds paid to the Vendor as outlined in the *WIC Vendor Agreement* and in this vendor manual.

Pre-Closure Receipt Audit

The Department may perform a pre-closure receipt audit on any Vendor who has been determined to be a high-risk Vendor, has a history of non-compliance with the WIC program policies and regulations, has been suspended, is having its *WIC Vendor Agreement* terminated or is being disqualified from the WIC program. Vendors who are voluntarily terminating their *WIC Vendor Agreement* may receive a pre-closure receipt audit at the Department's discretion.

Pre-closure audits may be for any length of time up to the full three (3) year period of the current Agreement. The pre-closure audit will exclude any period of time where an earlier claim for recoupment has been made. The Vendor is required to provide to WICNS copies of all WIC sales receipts and invoices as requested. These documents are to be supplied within fifteen (15) days of the date of the written request.

At the completion of the pre-closure receipt audit the Department has the right to establish a claim and demand refunds for payments already made on improperly transacted or redeemed WIC checks and for charges of more than the Vendor's actual selling price. Failure to provide these documents may result in a claim for repayment of WIC funds paid to the Vendor as outlined in the *WIC Vendor Agreement* and in this vendor manual.

5.2 Program Abuse

Prosecution/Fines A Vendor committing fraud or abuse of the WIC program is liable for prosecution under applicable federal, state or local laws. A Vendor which has willfully misapplied, stolen, or fraudulently obtained WIC program funds shall be subject to a fine of not more than \$25,000 or imprisonment for not more than five (5) years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one (1) year or both [7 CFR 246.12(h)(3)(x)].

Notification of Violations A Vendor shall be notified in writing, when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction (e.g., the mandatory sanctions: overcharging, receiving, transacting and/or redeeming WIC checks outside authorized channels including the use of an unauthorized Vendor and/or an unauthorized person; charging for supplemental food not received by the participant; providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 U.S.C. 802, in exchange for WIC checks; or providing unauthorized food items in exchange for WIC checks, including charging for supplemental food provided in excess of those listed on the WIC check.)

Notice will be given to the vendor unless it is determined that notification would compromise the investigation. The State agency does not have to provide the vendor with prior warnings that violations were occurring before imposing any of the sanctions in paragraph (1) of 7 CFR 246.12 (1)(3) relating to prior warnings.

This requirement also applies to any State agency Vendor sanction for which a pattern of violations must be established in order to impose a sanction. This notice will be given to the vendor unless it is determined that notification would compromise the investigation.

Disqualification State and Federal regulations provide for mandatory sanctions up to and including disqualification. Disqualification from the WIC program may result in a Vendor's disqualification from the Supplemental Nutrition Assistance Program (SNAP). Such disqualification is not subject to administrative or judicial review under the SNAP.

The Department shall disqualify a Vendor for program abuse. The Department will give the Vendor fifteen (15) days notice before imposing a sanction, except for certain mandatory sanctions, which are required by Regulations to take immediate effect upon receipt of notice by the Vendor.

The Vendor has a right to appeal disqualification or other adverse action that affects Vendor participation in the WIC program unless otherwise stated or restricted by the Regulations [7 CFR 246.18].

Failure to pay a fine and/or civil money penalty (CMP). If Vendor does not pay or partially pays a fine and/or CMP within the specified time frames, the Department will disqualify a Vendor for the length of the disqualification corresponding to the class of violation for which the fine and/or CMP was assessed in lieu of disqualification.

Claims

Non-payment of claims for improperly transacted WIC checks or overcharges will result in Agreement suspension, with fifteen (15) days notice, until the Department receives payment in full. The Department may, at its discretion, establish a repayment schedule for a Vendor. No repayment schedule will be offered if intent to defraud or lack of business integrity has been established.

The Department may disqualify a Vendor if the Vendor has an imposed Supplemental Nutrition Assistance Program (SNAP) Civil Money Penalty (CMP) in lieu of disqualification due to an SNAP determination of SNAP participant hardship. A WIC program disqualification due to a SNAP CMP shall correspond to the period for which the Vendor would otherwise have been disqualified from the SNAP.

5.3 Vendor Violations

Violations

Violations of WIC program policies by Vendors are categorized as Class “A”, “B”, “C”, or “D” Violations. Class “A” and “B” Violations are subject to mandatory federal sanctions as defined in 7 CFR 246.12 and shall constitute grounds for disqualification from the WIC program for a minimum of one (1) year and up to permanent disqualification.

The Department shall not accept voluntary withdrawal of a Vendor from the WIC program as an alternative to disqualification for Class “A” and Class “B” Violations. Disqualification shall be entered on the record. Non-renewal of this Agreement shall not be used by the Department as an alternative to disqualification. (See copy of contract in Appendix A, 22.1 thru 22.7 and Violations 22 thru 32).

For the first occurrence of Violations #2, #3, #4, #5, #6, #7, #8, or #9 the standard mandatory sanction will apply.

A second occurrence of Violations #2, #3, #4, #5, #6, #7, #8, or #9 will result in a double sanction. If the Vendor is found in violation a second time, resulting in any of the mandatory sanctions, the sanction for that particular violation will be doubled. Example: Vendor was disqualified

for one (1) year for a first violation. If a second violation occurs that requires a standard mandatory sanction of disqualification for three (3) years, the Vendor will be disqualified for six (6) years or a CMP will be imposed and doubled.

A third occurrence of Violations #2, #3, #4, #5, #6, #7, #8, or #9 will result in a double sanction, with no option for a CMP.

Multiple Violations

For multiple violations found during a single investigation the Department shall disqualify a Vendor based on the most serious violation. However, all violations will be included in the notice of action. If a mandatory sanction (Violations “A” or “B”) is not upheld in an administrative hearing, the Department will impose a sanction for the next most serious violation listed in the notice of action.

Vendor Fines

The Department will assess the Vendor fines for the different classes of Agreement violations. These fines will be paid to the Department as part of the required corrective action. Failure to pay the fines levied may result in further sanctions and/or disqualification from the WIC program.

Class “A” Violation

Violations #1 through #3 are federally mandated sanctions. A Class “A” Violation #1 will result in permanent disqualification effective on the date of the receipt of the notice. No prior notice will be given. Violations #2 and #3 will result in disqualification effective fifteen (15) days from the date of receipt of the notice.

For Violation #1, a Civil Money Penalty (CMP) will be imposed in lieu of disqualification if the Department determines that disqualification would result in inadequate participant access or if the Department determines that the Vendor had, at the time of the violation, effective policies and procedures to prevent trafficking, and the ownership of the Vendor was not aware of, did not approve of, and was not involved in the conduct of the violation. This determination is at the sole discretion of the Department. [7 CFR 246.12(1)(1)(i)(B)]

For Violations #2 and #3, a CMP will be imposed in lieu of disqualification if the Department determines that disqualification of the Vendor would result in inadequate participant access. [7 CFR 246.12(1)(1)(ix)]

Class “A” Violations #1 through #3:

- #1 Conviction of trafficking (buying or selling WIC food instruments or Cash Value Vouchers (WIC checks), conviction of selling firearms, ammunition, explosives or controlled substances in exchange for WIC checks. **Permanent Disqualification.**
- #2 One incidence of trafficking (buying or selling WIC food instruments or Cash Value Vouchers (WIC checks), selling firearms, ammunition, explosives or controlled substances in exchange for WIC checks. **Length of Disqualification – six (6) years.**
- #3 One incidence of the sale of alcohol, alcoholic beverages or tobacco products in exchange for WIC food instruments or Cash Value Vouchers (WIC checks). **Length of Disqualification – three (3) years.**

**Class “B”
Violation**

Class “B” Violations #4 through #9 are federally mandated sanctions that require a pattern of violations. A pattern for these violations is defined as two (2) or more Class “B” Violations that occur during the period the Vendor is under Agreement. For the **first occurrence of a pattern** of Class “B” Violations, the Department will disqualify the Vendor or impose a CMP.

For a single Class “B” Violation, #4 through #9, a Vendor may be given a written notice of violation. When written notice is given, the Vendor must establish a corrective action plan.

For the second occurrence of a Class “B” Violation within one (1) year of the first violation, the Vendor must establish a corrective action plan that includes the Vendor’s attendance at a mandatory training.

Class B Violations #4 through #9:

- #4 Charging WIC customers more for WIC approved foods than non-WIC customers or charging more than the posted shelf price (overcharges). **Length of Disqualification – three (3) years.**
- #5 Claiming reimbursement for the sale of any WIC food item that exceeds the store’s documented inventory of that food item for a specific period. **Length of Disqualification – three (3) years.**
- #6 Receiving, transacting, and/or redeeming WIC food instruments or Cash Value Vouchers (WIC checks) outside of authorized channels, including the use of an unauthorized retailer and/or an unauthorized person. **Length of Disqualification - three (3) years.**

- #7** Charging the program for WIC foods not received by the WIC customer.
Length of Disqualification - three (3) years.
- #8** Providing credit or non-food items (other than alcohol, tobacco, cash, firearms, ammunition, explosives or controlled substances) in exchange for WIC food instruments or Cash Value Vouchers (WIC checks), or in exchange for items purchased with a WIC food instrument or Cash Value Voucher (WIC check). Issuing “rain checks”, due bills, credit slips or any similar type of billing. **Length of Disqualification - three (3) years.**
- #9** Providing unauthorized food items in exchange for WIC food instruments or Cash Value Vouchers (WIC checks), including charging for supplemental food provided in excess of those listed on the check.
Length of Disqualification – one (1) year.

**Class “C”
Violation**

Class “C” Violations #10 through #22 are State Agency sanctions. For the first occurrence of a Class “C” Violation, a Vendor will be given a written warning notice of violation.

For the second occurrence of a Class “C” Violation a Vendor will receive a fifty (50) dollar fine, and must establish a corrective action plan. Failure to comply with the established corrective action plan will require the Vendor to attend a mandatory training.

For the third occurrence of a Class “C” Violation within one (1) year of the first violation, the Vendor will receive a one hundred (100) dollar fine and must establish a corrective action plan that includes the Vendor’s attendance at a mandatory training.

When three (3) Class “C” Violations occur within one (1) year of the first warning of any Class “C” violation, the Vendor will be disqualified for one (1) year or a CMP will be imposed. A Class “C” Violation sanction will not be added to a mandatory sanction within the same investigation.

A Class “C” sanction may be imposed by the WIC program if a mandatory sanction from the same investigation is not upheld on appeal. Class “C” Violations do not count toward the provisions of mandatory violations for Class “A” or “B”.

Class C Violations #10 through #22:

- #10 Seeking restitution from WIC customers for WIC checks not paid in part or in full, or seeking restitution from WIC customers for claims imposed or refunds demanded by the Department.
- #11 Discriminating against WIC customers due to their race, color, national origin, disability, gender, age, (federal). Discriminating against WIC customers due to their political affiliation or religion (state). Requiring WIC customers to use only certain registers or shop only at certain times.
- #12 Denying the participant to purchase the full amount of WIC food authorized on the WIC checks or requiring the WIC customers to take all the food items even if they choose not to.
- #13 Requiring the WIC customer to pay cash in whole or part to transact a WIC check.
- #14 Failing to provide for review when requested any of the following, but not limited to: WIC checks, WIC transaction receipts, purchase orders, invoices, or shelf price records, and/or failing to allow full inspection of all store areas.
- #15 Failing to comply with current Missouri Food Code Sanitation requirements.
- #16 Failing to ensure all WIC approved food packaging is in good condition and protects the integrity of the contents so that the food is not exposed to adulteration or potential contaminants.
- #17 Providing WIC approved food during a WIC check transaction that is beyond the expiration, use by or last sale date imprinted on the product packaging by the product's manufacturer or packager.
- #18 Failing to allow monitoring and/or to accept training on program procedures as provided or required by the Department or its designees.
- #19 Failing to maintain adequate inventory records and sales receipts to verify billings made for all WIC food items purchased any time during the current Agreement period.
- #20 Accepting or requiring a WIC customer's signature before the actual amount of sale and the date of sale are entered on the WIC check by the Vendor.
- #21 Giving change back to the WIC customer during a WIC check transaction.
- #22 Purchasing infant formula from sources other than approved and licensed infant formula distributors.

**Class “D”
Violation**

Class “D” Violations #23 through #33 are State Agency sanctions. For the first occurrence of Class “D” Violations, a Vendor will be given a written warning notice of violation.

For the second occurrence of Class “D” Violations a Vendor will receive a fifty (50) dollar fine and must establish a corrective action plan. Failure to comply with the established corrective action plan will result in the Vendor’s attendance at a mandatory training.

For the third occurrence of Class “D” Violations, within one (1) year of the first warning, a Vendor shall receive a one hundred (100) dollar fine and must establish a corrective action plan, which will include the Vendor’s attendance at a mandatory training.

When three (3) Class “D” Violations occur within a one (1) year period of the first warning of any Class “D” violation, Vendor will be disqualified for one (1) year or a CMP will be imposed.

Violations # 23 through #33:

- #23 Failing to train all employees who handle WIC transactions and ensuring their knowledge regarding WIC program procedures set forth in training materials and manuals provided by the Department.
- #24 Charging sales tax on WIC food items.
- #25 Requiring WIC customers to sign a tax-exempt form or other requirements other than the signing the WIC check and verifying the signature.
- #26 Excessive use (more than twice in any thirty (30) day period) of the Partial WIC Formula Redemption Form for primary contract infant formulas.
- #27 Failing to maintain the minimum stock of **ALL** WIC approved foods. (See Section 4 (vi) in the WIC Vendor Agreement)
- #28 Failing to submit information requested by the Department within the time specified, including, but not limited to, food price lists, WIC sales receipts, food stocking information, and corrective action plans.
- #29 Discourteous treatment of a WIC customer.
- #30 Prohibiting WIC customers the use of discount coupons or promotion specials to reduce the WIC check amount.
- #31 Limiting WIC customers in their choices of WIC approved foods, e.g., only allowing WIC customers to take certain types of or brands of milk and other WIC products.

- #32 Failing to verify the participant signature after the WIC participant has signed the WIC check at the end of the WIC transaction.
- #33 Failing to enter the date of purchase and/or the purchase price on the WIC check at the time of the transaction.

WIC Check Errors

The Department has the right to modify payment or to assess a claim for WIC checks transacted for unauthorized foods, other items, or with sales tax charged.

The Vendor shall receive a written warning for the first month where they have twenty-five (25) or more WIC checks returned. The Department will assess the Vendor a fine of fifty (50) dollars for the first month in which returned WIC checks exceed twenty-five (25) after a warning has been given.

For the second month after the warning in which returned WIC checks exceed twenty-five (25), the Department will assess a fine of seventy-five (75) dollars and the Vendor will be required to attend mandatory training in Jefferson City.

For the third and any subsequent occurrences during the agreement period, the Department will assess a one hundred (100) dollar fine and make a claim for recoupment of the total amount of all checks returned for that month.

A fine of fifty (50) dollars will be assessed for each error #32 through #41 found during a covert investigation and for any WIC check received from a vendor that has been altered in an attempt to receive payment. The Department will deny payment and return to the Vendor's bank the following WIC checks with errors (#34 through #41):

- #34 WIC checks with missing signature.
- #35 Altered WIC checks.
- #36 WIC checks accepted before the "FIRST-DATE-TO-USE."
- #37 WIC checks accepted after the "LAST-DATE-TO-USE."
- #38 WIC checks submitted for payment more than sixty (60) days after the "FIRST-DATE-TO-USE."
- #39 WIC checks redeemed for more than the "MAXIMUM PURCHASE PRICE - MUST NOT EXCEED."
- #40 WIC checks without a date redeemed.
- #41 WIC checks without a WIC Vendor stamp, with an illegible WIC Vendor stamp, or with an invalid Vendor stamp.

**False and/or
Misleading Sales
Information**

The Department will immediately terminate the WIC Vendor Agreement disqualifying the Vendor for a pattern of providing false and/or misleading sales transaction information to the WIC program. A pattern for this violation is defined as two (2) or more compliance buys where the WIC checks have been altered or false information has been supplied. This includes fraudulent signatures and/or altered checks that were submitted for payment. A pattern may also be established as a result of findings from a WIC sales receipt audit. Length of Disqualification – one (1) year.

**Civil Money
Penalty (CMP)**

The Department will assess a Vendor a CMP in lieu of disqualification only if the disqualification would result in inadequate participant access as defined by the Department. Ten (10) percent of a Vendor's average monthly WIC redemptions multiplied by the number of months the Vendor would have been disqualified will determine the CMP. A Vendor's monthly WIC redemption for the previous six (6) months will be used to determine the average monthly WIC redemption.

For each violation that warrants permanent disqualification, the amount of the CMP shall be \$11,000. If during the course of a single investigation the Vendor commits multiple violations, the Department may impose a CMP for each violation. The total amount of CMP for violations found, as part of a single investigation, shall not exceed \$44,000. Amounts are subject to changes in future revisions to the Regulations.

**Failure to pay
a fine and/or
Civil Money
Penalty.**

If a Vendor does not pay or partially pays a fine and/or CMP within the specified time frames, the Department will disqualify the Vendor for the length of the disqualification corresponding to the class of violation for which the fine and/or CMP was assessed in lieu of disqualification.

**Termination
From WIC
Program**

This policy addresses those Vendors who have had their WIC Vendor Agreement terminated for non-compliance with the WIC program selection criteria and/or WIC Vendor Agreement. Examples of non-compliance may be, but are not limited to, the following:

- Exceeding the average prices for their Vendor peer group;
- Failing to meet the minimum square footage requirements;
- Failing to meet the minimum stocking requirements for WIC approved foods;
- Failing to meet the minimum stocking requirements to be considered a full service grocery;
- Failing to meet any other WIC program selection criteria and/or WIC Vendor Agreement requirements; and

- Having a pattern of providing false or misleading sales transaction information to the WIC program for reimbursement. A pattern is defined as four (4) or more WIC checks being altered and submitted for payment during the period the Vendor is under Agreement.
- Non-payment of claims for improperly transacted WIC checks or receipt audits.

Vendors who have their WIC Vendor Agreement terminated are required to wait for one (1) calendar year from the date of their Vendor Agreement termination before re-applying to WIC program.

In the event a Vendor is terminated from the WIC program, the Department requires that before the Vendor receives a new WIC Vendor Agreement and is re-authorized to accept WIC, the following must occur:

- The Vendor applicant must follow the entire application process and submit an updated and complete WIC application.
- The Vendor applicant must meet all of the WIC program's current selection criteria.
- An on-site review of the store is performed to ensure the Vendor applicant meets the current selection criteria.
- All owners, store management and staff trainers must attend a new Vendor training session in Jefferson City before the WIC Vendor Agreement will be issued.

Identifying Sanctioned Vendors

At the discretion of the Department, the Department may inform all authorized vendors and vendor applicants regarding vendor sanctions which have been imposed, identifying only the vendor's name, address, length of the disqualification or amount of the civil money penalty, and a summary of the reason(s) for such sanction provided in the notice of adverse action. Such information may be disclosed only following the exhaustion of all administrative and judicial review, in which the Department has prevailed, regarding the sanction imposed on the subject vendor, or the time period for requesting such review has expired.

End of Section V: Vendor Compliance